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June 18, 2021

BY FIRST-CLASS MAIL AND ELECTRONIC MAIL

Luly E. Massaro, Commission Clerk
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

RE: Docket No. 5085- Long-Term Contracting for Renewable Energy Recovery Factor

Dear Ms. Massaro:

On behalf of National Grid,¹ I have enclosed five copies the Company's responses to the First Set of Data Requests issued by the Division of Public Utilities and Carriers in the above-referenced matter.

Thank you for your attention to this filing. If you have any questions, please contact me at 401-709-3359.

Very truly yours,



Steven J. Boyajian

Enclosures

cc: Leo Wold, Esq.
John Bell, Division
Service List

Certificate of Service

I hereby certify that a copy of the cover letter and any materials accompanying this certificate was electronically transmitted to the individuals listed below.

The paper copies of this filing are being mailed to the Rhode Island Public Utilities Commission and to the Rhode Island Division of Public Utilities and Carriers.



Heidi J. Seddon

June 18, 2021

Date

**Docket No. 5085 -- National Grid -- LTC Recovery Factor
Service List updated 5/11/2021**

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The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 5085
In Re: National Grid's Long-Term Contracting for
Renewable Energy Recovery Factor
Responses to Division's First Set of Data Requests
Issued May 28, 2021

Division 1-1

Request:

In footnote 2 of your filing dated May 14, 2021, you reference Cassadaga Wind's anticipated Commercial Operation date of May 22, 2021. Has Cassadaga Wind, in fact, achieve Commercial Operation? If not, why? If commercially operable, does the Company stand by its estimate of Cassadaga Wind's generation for the entire "Price Period?"

Response:

Since the filing date of May 14, 2021, representatives from Cassadaga Wind have informed the Company that the anticipated Commercial Operation Date ("COD") of the Unit is revised to June 23, 2021 due to delays in construction. The revised COD is before the beginning of the July 1, 2021 through December 31, 2021 Price Period, and therefore the Company does not intend to change its estimate of the Unit's generation.

On June 7, 2021, Cassadaga Wind provided an hourly generation forecast to the Company. The inclusion of this forecast would reduce the above market cost for the period July 2021 through December 2021 by \$3,569. This small decrease, however, does not change the proposed LTCRER Factor.

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Division 1-2

Request:

Please provide details and explain the dramatic increase in Total Capacity Bid into the Forward Capacity Market, as reflected in Page 5 of Attachment 1, Line 37 (\$116,315), from previous price periods, July 20 – Dec. 20 (\$37,517) and Jan. 21-June 21 (\$39,756).

Response:

The reason for the increased revenue values forecasted by the Company in this filing for the months July-December 2021, as compared to January-June 2021 and July-December 2020 in previous filings, is the number of months' revenue and the associated prices for the generating resources. Please note that the solar projects enrolled as generating assets in the ISO New England, Inc. Forward Capacity Market ("FCM") participate seasonally, during the four summer performance months, from June through September.

The \$116,315 value the Company forecasted for July-December 2021 includes revenue from July, August, and September 2021. The Company's prior filing for January-June 2021 only included forecasted revenue for June 2021.

The difference between the \$39,756 the Company forecasted for July-December 2020 and the \$116,315 forecasted for July-December 2021 is due to prices received, which determines revenue. These generating resources received revenue in 2020 based on early delivery, meaning that they were eligible to participate in the FCM, but only through Monthly Reconfiguration Auctions ("MRA") for the summer performance months in 2020. MRA prices typically have been lower than prices from that Capacity Commitment Period's primary auction clearing price and were reflected in the 2020 report as \$1.500 / kilowatt-month ("kW-month"). Starting in Summer 2021, however, some generating resources that cleared in this Capacity Commitment Period's primary Forward Capacity Auction, FCA12, will earn base capacity revenue regardless of its participation in MRAs, at over \$4.00 / kW-month. In cases where a generating resource is expected receive base capacity revenue as well as action taken in MRAs, the Company used a weighted average to most accurately predict the revenue to be received.

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Division 1-3

Request:

Please provide details and explain the "Estimated Contractor Expense = FCM Assistance", as reflected in Page 6 of Attachment 1, Line 10.

Response:

The \$4,974 in Estimated Contractor Expense includes costs from two vendors, Antares and CLEAResult, to support work associated with the Forward Capacity Market ("FCM").

National Grid's expenses for Antares are expected to total \$12,000 for July through December 2021, for FCM support of solar resources in Massachusetts and Rhode Island. For this contract, 25%, or \$3,000, of the cost is expected to support Rhode Island solar resources attributed to the Long-Term Contract Renewable Energy Recovery ("LTCRER") program. That percentage is based on the nature of the work that Antares does, which is to build out and support a Tableau dashboard which allows the monitoring of both hourly and monthly performance data for all solar resources, which has allowed for a level of portfolio management that supersedes how we were able to treat each individual resource prior. Antares' time supports all solar resources simultaneously regardless of location. As such, the cost has been split such that 50% is billed to Rhode Island solar resources and 50% is billed to Massachusetts solar resources. Since Rhode Island solar resources belong to two programs, LTCRER and Renewable Energy Growth ("RE Growth"), this is further split in half. This explains why the value attributed to LTCRER is small compared to the overall contract cost.

National Grid's expenses for CLEAResult are expected to total \$19,739.62 for July through December 2021. Approximately 10% of the six-month expense, \$1,973.96, is expected to support the resources in the Company's LTCRER specifically. This contract with CLEAResult and National Grid USA's is for the overall FCM portfolio between Narragansett Electric Company and Massachusetts Electric Company, which includes not only LTCRER, but also the RE Growth program, net metering in Massachusetts, and Energy Efficiency ("EE") programs in both states. In addition to LTCRER, 60% of the contract cost goes to support EE programs in both states, 20% is allocated for Massachusetts net metering, and the remaining 10% is allocated to RE Growth. EE takes up such a large portion of the budget partly because it participates in the FCM for all 12 months of the year, whereas solar generating resources only participate for four months. Again, this explains why the value attributed to LTCRER is small compared to the overall contract cost.

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The combination of these two values, \$3,000 for Antares and \$1,973.96 for CLEAResult, sums to \$4,973.96, rounded to \$4,974.